

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1097 - HB 1319

March 2, 2017

SUMMARY OF BILL: Requires the sale or transfer of a firearm to occur through a federally licensed gun dealer; creates a Class B misdemeanor offense for sales or transfers that are intentionally not conducted through a gun dealer.

Exempts certain transfers including: (1) a transfer between immediate family members that is a bona fide gift; (2) the sale or transfer of an antique firearm; (3) a temporary transfer of possession of a firearm; and (4) a transfer of a firearm between gun dealers or between wholesalers and dealers.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Exceeds \$10,000/TBI

Increase State Expenditures – Exceeds \$10,000/TBI

Assumptions:

- Pursuant to Tenn. Code Ann. § 39-17-1316, licensed gun dealers are required to obtain a criminal history background check on each individual involved in a firearms transaction. The fee for a Tennessee Bureau of Investigation (TBI) background check for a firearm purchase through a licensed dealer is \$10.00.
- It is not known how many private firearm sales occur in Tennessee each year.
- It is reasonably estimated that the provisions of the bill will increase the number of background checks by a minimum of 1,000 each year.
- The estimated recurring increase in TBI revenue exceeds \$10,000 (\$10.00 x 1,000).
- This fee is charged by TBI to cover the costs incurred to conduct the background check; therefore, an increase in expenditures is estimated to exceed \$10,000.
- There will not be a sufficient number of prosecutions for state or local government to experience any significant increase in revenue or expenditures.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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